

Peterson



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 2
2890 WOODBRIDGE AVENUE
EDISON, NEW JERSEY 08837

April 18, 2005

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
7001 0320 0004 7786 7808

William H. Hyatt, Jr., Esq.
Kirkpatrick & Lockhart LLP
The Legal Center
One Riverfront Plaza, 7th Floor
Newark, New Jersey 07102

Re: Bayonne Barrel and Drum Superfund Site, Newark, New Jersey,
Administrative Order on Consent (CERCLA Docket No. 02-2004-2006)

Dear Mr. Hyatt:

Enclosed is an accounting, which has been prepared by the United States Environmental Protection Agency ("EPA") for the recovery of oversight costs incurred under the authority of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. § 9601 *et seq.* ("CERCLA"), for oversight activities at or in connection with the Bayonne Barrel and Drum Site, Newark, Essex County, New Jersey.

This accounting is being forwarded to you as counsel to Respondents, in accordance with Section XV, Paragraph A of the Administrative Order ("AOC") issued by EPA on consent to the eleven (11) Respondents identified in Appendix I of the AOC, pursuant to Section 106 of CERCLA, 42 U.S.C. § 9606.

This accounting includes an itemized cost summary and narrative statement describing the EPA's oversight costs and a Bill for Collection #023305T054. The Bill for Collection covers Future Response Costs, as defined in the AOC, incurred between December 22, 2003 and January 31, 2005. It is anticipated that additional Future Response Costs will be incurred, as work under the AOC has not yet been completed. These costs will be billed upon completion of the work required under the AOC.

In accordance with the terms of the AOC, please remit the amount of \$55,021.31 within thirty (30) days of the receipt of this letter. The cost summary shows a total of \$59,714.04, but EPA has reduced that amount by \$3,601.48 in direct costs for non-oversight work, and \$1,091.25 in associated indirect costs, which were inadvertently included in the oversight billing category. As provided in Paragraph 43 of the AOC, payment is to be made to EPA's account at Mellon Bank via electronic funds transfer ("EFT"). To effect payment via EFT, please instruct your bank to make payment via EFT to EPA's account, providing the following information:

260349



Internet Address (URL) • <http://www.epa.gov>

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- * Amount of Payment: **\$55,021.31**
- * Title of Mellon Bank account to receive the payment: **EPA**
- * Account code for Mellon Bank account receiving the payment: **9108544**
- * Mellon Bank ABA Routing Number: **043000261**
- * Name(s) of remitter(s)
- * EPA Docket Number: **CERCLA Docket No. 02-2004-2006**
- * Site/Spill identifier: **029J**

To ensure that your payment is properly recorded, within one week of the payment you should send copies of the wire transfer or a letter which references the date of the EFT, the payment amount, the name of the Site, the case number, and your name and address, to:

William McCabe, Acting Director
 Emergency and Remedial Response Division
 United States Environmental Protection Agency, Region II
 290 Broadway, 19th Floor
 New York, New York 10007-1866

as well as to:

Chief
 Financial Management Branch
 Office of Policy and Management
 United States Environmental Protection Agency, Region II
 290 Broadway, 29th Floor
 New York, New York 10007-1866

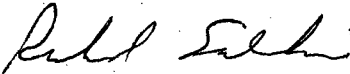
Sarah Flanagan, Esq.
 Assistant Regional Counsel
 United States Environmental Protection Agency, Region II
 Office of Regional Counsel
 290 Broadway, 17th Floor
 New York, New York 10007-1866

Joseph V. Cosentino, On-Scene Coordinator
 United States Environmental Protection Agency, Region II
 Bldg. 209, MS-211
 2890 Woodbridge Avenue
 Edison, New Jersey 08837

The United States reserves its right to recover any costs incurred during the time period covered by this accounting but not included in this billing, and any other response costs that are not included within the definition of Future Response Costs.

If you have any questions regarding this matter, please contact Joseph Cosentino of my staff at (732) 906-6983. Legal questions should be directed at Sarah Flanagan, of the Office of Regional Counsel at (212) 637-3136. Thanks you for your prompt attention to this matter.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Rich Salkie". The signature is fluid and cursive, with the first name "Rich" and last name "Salkie" clearly distinguishable.

Richard C. Salkie, Chief
Removal Action Branch

Enclosures

**Narrative Description of EPA Oversight Costs
Bayonne Barrel and Drum Superfund Site
Newark, New Jersey**

Payroll

This consist of direct Regional EPA personnel charges for time spent by EPA employees performing On-Scene Coordinator duties and overseeing Respondent's adherence to the requirements of the Administrative Order during the time period December 22, 2003 to January 31, 2005. See attached Payroll section of EPA's Itemized Cost Summary.

\$42,214.75

Indirect Costs

Indirect costs are those which are necessary to the operation of the Superfund Program and the support of site cleanup efforts, but which cannot be directly identifiable to any one site. Indirect costs are allocated to particular Superfund sites by means of a methodology established by EPA Headquarters. See attached Indirect Costs section of EPA's Itemized Cost Summary for the calculation of indirect costs.

\$12,791.06

Miscellaneous Costs

\$15.50

Total EPA Oversight Cost

\$55,021.31

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BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

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Narrative Cost Summary

BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

OVERSIGHT SCORPIOS REPORT

COSTS ARE FROM 12/22/03 THROUGH 01/31/05 (PP08/04 - PP09/05)

1. The United States Environmental Protection Agency has incurred at least \$45,816.23 for Regional Payroll Costs.
2. The United States Environmental Protection Agency has incurred costs of at least \$15.50 for Miscellaneous Expenses.
3. The United States Environmental Protection Agency has incurred at least \$13,882.31 for Indirect Costs.

Total Site Costs:

\$59,714.04

Itemized Cost Summary

BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

OVERSIGHT SCORPIOS REPORT

COSTS ARE FROM 12/22/03 THROUGH 01/31/05 (PP08/04 - PP09/05)

REGIONAL PAYROLL COSTS	\$45,816.23
MISCELLANEOUS COSTS (MIS)	\$15.50
EPA INDIRECT COSTS	\$13,882.31
Total Site Costs:	<u>\$59,714.04</u>

Regional Payroll Costs

BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

OVERSIGHT SCORPIOS REPORT

COSTS ARE FROM 12/22/03 THROUGH 01/31/05 (PP08/04 - PP09/05)

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Hours</u>	<u>Payroll Costs</u>
COSENTINO, JOSEPH V	2004	08	14.00	689.65
		09	21.00	1,063.68
		10	26.00	1,316.93
		12	38.00	1,973.26
		13	69.00	3,583.02
		14	44.00	2,284.80
		15	61.00	3,242.20
		16	63.00	3,348.51
		17	58.00	3,082.75
		18	51.00	2,710.69
		19	59.00	3,135.92
		20	58.00	3,082.75
		21	47.00	2,498.09
		22	44.00	2,338.63
		23	60.00	3,189.05
		25	15.00	797.26
		26	7.00	372.06
	2005	02	16.00	846.77
		03	37.00	1,958.17
		04	5.00	264.74
		05	8.00	423.39
		06	27.00	1,429.43
		07	11.00	582.16
		08	12.00	635.07
		09	10.00	551.49
			861.00	\$45,400.47
FLANAGAN, SARAH P.	2004	21	1.50	99.51
			1.50	\$99.51
MATARAZZO, MICHAEL M.	2004	10	7.00	316.25
			7.00	\$316.25
Total Regional Payroll Costs			869.50	\$45,816.23

Miscellaneous (MIS) Costs

BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

OVERSIGHT SCORPIOS REPORT

COSTS ARE FROM 12/22/03 THROUGH 01/31/05 (PP08/04 - PP09/05)

Miscellaneous (MIS) Costs

Total Costs: \$15.50

<u>Procurement Number</u>	<u>Voucher Number</u>	<u>Voucher Date</u>	<u>Voucher Amount</u>	<u>Treasury Schedule Number and Date</u>	<u>Site Amount</u>	<u>Description</u>
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CHOICE POINT

280886NBLX	0204J0038C	05/06/2004	1,726.61	0204J0038C	05/06/2004	15.50
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Vendor Total:

\$15.50

Total Miscellaneous Costs:

\$15.50

EPA Indirect Costs

BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

OVERSIGHT SCORPIOS REPORT

COSTS ARE FROM 12/22/03 THROUGH 01/31/05 (PP08/04 - PP09/05)

<u>Fiscal Year</u>	<u>Direct Costs</u>	<u>Indirect Rate(%)</u>	<u>Indirect Costs</u>
2004	39,140.51	30.30%	11,859.56
2005	6,691.22	30.30%	2,027.45
	<u>45,831.73</u>		

Total EPA Indirect Costs

\$13,887.01

EPA Indirect Costs

BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

OVERSIGHT SCORPIOS REPORT

COSTS ARE FROM 12/22/03 THROUGH 01/31/05 (PP08/04 - PP09/05)

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
COSENTINO, JOSEPH V	2004	08	689.65	30.30%	208.96
		09	1,063.68	30.30%	322.30
		10	1,316.93	30.30%	399.03
		12	1,973.26	30.30%	597.90
		13	3,583.02	30.30%	1,085.66
		14	2,284.80	30.30%	692.29
		15	3,242.20	30.30%	982.39
		16	3,348.51	30.30%	1,014.60
		17	3,082.75	30.30%	934.07
		18	2,710.69	30.30%	821.34
		19	3,135.92	30.30%	950.18
		20	3,082.75	30.30%	934.07
		21	2,498.09	30.30%	756.92
		22	2,338.63	30.30%	708.60
		23	3,189.05	30.30%	966.28
		25	797.26	30.30%	241.57
		26	372.06	30.30%	112.73
			38,709.25		\$11,728.89
FLANAGAN, SARAH P.	2004	21	99.51	30.30%	30.15
			99.51		\$30.15
MATARAZZO, MICHAEL M.	2004	10	316.25	30.30%	95.82
			316.25		\$95.82
Total Fiscal Year 2004 Payroll Direct Costs:			39,125.01		\$11,854.86

EPA Indirect Costs

BAYONNE BARREL & DRUM, NEWARK, NJ SITE ID = 02 9J

OVERSIGHT SCORPIOS REPORT

COSTS ARE FROM 12/22/03 THROUGH 01/31/05 (PP08/04 - PP09/05)

OTHER DIRECT COSTS

Contract, IAG, SCA, Misc.NO	Voucher Number	Treasury Schedule Date	Site Amount	Annual/SMO Allocation Costs	Ind. Rate (%)	Indirect Costs
280886NBLX	0204J0038C	05/06/2004	15.50	0.00	30.30%	4.70
			15.50	0.00		\$4.70
Total Fiscal Year 2004 Other Direct Costs:			15.50	0.00		\$4.70
Total Fiscal Year 2004:			39,140.51			\$11,859.56

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
COSENTINO, JOSEPH V	2005	02	846.77	30.30%	256.57
		03	1,958.17	30.30%	593.33
		04	264.74	30.30%	80.22
		05	423.39	30.30%	128.29
		06	1,429.43	30.30%	433.12
		07	582.16	30.30%	176.39
		08	635.07	30.30%	192.43
		09	551.49	30.30%	167.10
			6,691.22		\$2,027.45
Total Fiscal Year 2005 Payroll Direct Costs:			6,691.22		\$2,027.45
Total Fiscal Year 2005:			6,691.22		\$2,027.45
Total EPA Indirect Costs					\$13,887.01